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November 13, 2012

FILED VIA ECFS

Ms. Marlene H. Dortch, Secretary Federal Communications Commission 445 12th Street, SW Washington, DC 20554

Re: Notice of Written Ex Parte Presentation

In the Matter of Connect America Fund, WC Docket No. 10-90

Dear Ms. Dortch:

Armstrong Telephone Company – Northern Division, Armstrong Telephone Company – West Virginia, Hardy Telecommunications, Inc., Spruce Knob Seneca Rocks Telephone, Inc., and West Side Telecommunications (the "West Virginia Rural Companies"), by counsel, and pursuant 47 C.F.R. §1.1206(b)(2), hereby file this written ex parte in the above-captioned proceeding. ¹ The West Virginia Rural Companies are Incumbent Local Exchange Carriers offering telephone exchange services to specific rural areas within the State of West Virginia. Each of the West Virginia Rural Companies has also been designated an Eligible Telecommunications Carrier ("ETC") within their respective service area by the Public Service Commission of West Virginia (the "WVA PSC").

The West Virginia Rural Companies agree with the request made by Frontier Communications Corporation ("Frontier"), and supported by the WVA PSC and the Consumer Advocate Division of the Public Service Commission of West Virginia ("CAD"), that the Commission allow the use of "weighted-average statewide rate for purposes of compliance with the 'rate floor' and 'rate comparability' benchmarks..." For the reasons stated herein, the use of

¹ The instant filing is made in the context of the Commission's review of rate floor and local benchmarking issues. *See* Public Notice, Wireline Competition Bureau Seeks Comment on Proposed Urban Rates Survey and Issues Relating to Reasonable Comparability Benchmarks and the Local Rate Floor, WC Docket No. 10-90, DA 12-1199, released July 26, 2012.

² Comments of Frontier Communications Corporation, WC Docket No. 10-90, filed September 28, 2012 ("Frontier Comments") at 9; see also id. at 1; Motion to File Comments and Comments of the Public Service Commission of West Virginia, WC Docket No. 10-90, filed October 31, 2012 ("WVA PSC Comments") at 1; Comments of the Consumer Advocate Division of the Public

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the weighted average should be applicable to all West Virginia ETCs utilizing the WVA PSC-prescribed local service offering framework.

As discussed by Frontier, and agreed to by the WVA PSC,³ the WVA PSC established in the 1980s an overarching rate design and pricing regime for the provision of telephone exchange services that was then implemented via tariffs filed with and approved by the WVA PSC.⁴ While the rates for each ILEC are different as are, at times, the names of the specific offerings within the plan, the general description of the "Thrifty Caller", the "Community Caller", the "Community Plus Caller" and the "Frequent Caller" plans identified by Frontier⁵ are also provided by each of the West Virginia Rural Companies. See Attachment A.⁶

The West Virginia Rural Companies agree that the WVA PSC's efforts to develop local rate calling plans that maximize West Virginia end user/consumers options based on their respective calling needs should not, as a consequence of the Commission's local rate floors, reduce the availability of federal Universal Service Fund disbursements to those carriers committed to serve the higher cost rural areas of the State of West Virginia. Absent the relief outlined by Frontier, however, the application of the local rate floors creates that result. To address this situation, the use of the "weighted average" approach best achieves the relevant public policy considerations underlying the implicated FCC rules as well as avoids any unintended conflicts with the policies advanced by the WVA PSC's local calling plans along with any reduction in federal recovery from the Universal Service Fund.

Service Commission of West Virginia ("WVA CAD Comments") at 3.

³ See WVA PSC Comments at 2.

⁴ See Frontier Comments at 4-5.

⁵ See Frontier Comments, Attachment A; see also id. at 4 (general description of local calling plans).

⁶ As permitted by the Commission, the West Virginia Rural Companies note that average usage is added to the fixed local rate where applicable to determine the actual rate floor. See In the Matter of Connect America Fund, et al., Third Order on Reconsideration, WC Docket No. 10-90, et al., FCC 12-52, released May 14, 2012 at para. 22. The rates in Attachment A reflect the fixed rate portion of each West Virginia Rural Companies' offerings.

⁷ See WVA PSC Comments at 3-5; WVA CAD Comments at 2.

⁸ To that end, the weighted local rate per customer for each of the West Virginia Rural Companies based on October 1, 2012 data would be above the \$10 and then \$14 local rate floors that the Commission has announced: Armstrong Telephone Company – Northern Division -- \$17.07; Armstrong Telephone Company – West Virginia -- \$22.63; Hardy Telecommunications, Inc. -- \$17.74; Spruce Knob Seneca Rocks Telephone, Inc. -- \$16.68; and West Side Telecommunications -- \$19.85.

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Accordingly, the West Virginia Rural Companies support the use of the "weighted average" approach articulated by Frontier and supported by the WVA PSC and CAD with respect to the application of the Commission's local rate floor and rate comparability comparisons. For the reasons stated, the West Virginia Rural Companies respectfully submit that actions consistent with the relief proposed by Frontier be made applicable to *all similarly situated West Virginia ETCs* and that such action will serve and advance the public interest associated with the provision of Universal Service within West Virginia.

Sincerely,

Thomas J. Moorman

Counsel to the

West Virginia Rural Companies

Attachment

cc: R. Hitt, General Counsel, Public Service Commission of West Virginia

D. Sade, Consumer Advocate Division

C. Mattey, Wireline Competition Bureau, Federal Communications Commission

A. Bender, Wireline Competition Bureau, Federal Communications Commission

T. Burmeister, Wireline Competition Bureau, Federal Communications Commission

M. Jacobs, Consumer and Government Bureau, Federal Communications Commission

A. Minard Wireline Competition Bureau, Federal Communications Commission

J. Schwarz, Wireline Competition Bureau, Federal Communications Commission

M. Saperstein, Jr., Frontier Communications Corporation

Attachment A West Virginia Rural Companies November 13, 2012 Written Ex Parte, WC Docket No. 10-90

Optional Local Calling Service Plans as of October 1, 2012

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Armstrong Telephone Company - Northern Division

Thrifty Caller Plan -- \$4.45 fixed rate plus all additional local measured rate-calling on all calls within the home exchange and to all other local calling area exchanges.

Community Caller Plan -- \$10.20 flat-rate (unlimited) calling within the customer's home exchange. Local measured usage charges apply to all other calls terminating within the local calling area.

Community Caller Plus Plan -- \$17.20 flat-rate (unlimited) calling within the customer's home exchange and specified nearby exchanges. Local measured usage charges apply to all other calls terminating within the local calling area.

Frequent Caller Plan -- \$24.50 flat-rated (unlimited calling) for all calls terminating within the local calling area.

Armstrong Telephone Company - West Virginia

Thrifty Caller Plan -- \$5.00 fixed rate plus all additional local measured rate-calling on all calls within the home exchange and to all other local calling area exchanges.

Community Caller Plan -- \$11.00 flat-rate (unlimited) calling within the customer's home exchange. Local measured usage charges apply to all other calls terminating within the local calling area.

Community Caller Plus Plan -- \$20.00 flat-rate (unlimited) calling within the customer's home exchange and specified nearby exchanges. Local measured usage charges apply to all other calls terminating within the local calling area.

Frequent Caller Plan -- \$34.00 flat-rated (unlimited calling) for all calls terminating within the local calling area.

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Optional Local Calling Service Plans as of October 1, 2012

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Hardy Telecommunications, Inc.

Basic Plan -- \$6.00 fixed rate plus all additional local measured rate-calling on all calls within the home exchange and to all other local calling area exchanges. ¹

Community Calling Plan -- \$15.00 flat-rate (unlimited) calling within the customer's home exchange. Local measured usage charges apply to all other calls terminating within the local calling area.

Community Plus Plan -- \$21.00 flat-rate (unlimited) calling within the customer's home exchange and specified nearby exchanges. Local measured usage charges apply to all other calls terminating within the local calling area.

Premium Plan -- \$28.00 flat-rated (unlimited calling) for all calls terminating within the local calling area.

Spruce Knob Seneca Rocks Telephone, Inc.

Thrifty Caller Plan -- \$6.00 fixed rate plus all additional local measured rate-calling on all calls within the home exchange and to all other local calling area exchanges.

Community Caller Plan -- \$15.00 flat-rate (unlimited) calling within the customer's home exchange. Local measured usage charges apply to all other calls terminating within the local calling area.

Community Caller Plus Plan -- \$21.00 flat-rate (unlimited) calling within the customer's home exchange and specified nearby exchanges. Local measured usage charges apply to all other calls terminating within the local calling area.

Frequent Caller Plan -- \$28.00 flat-rated (unlimited calling) for all calls terminating within the local calling area.

¹ The Company has filed with the WVA PSC for a rate increase of its Basic Plan to increase the fixed rate to \$10.00, which includes up to \$3.00 of local usage within the end user's home exchange. The rate increase will be effective December 1, 2012.

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Residential Optional Local Calling Service Plans

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West Side Telecommunications

Thrifty Caller Plan -- \$4.50 fixed rate plus all additional local measured rate-calling on all calls within the home exchange and to all other local calling area exchanges.

Community Caller Plan -- \$10.50 flat-rate (unlimited) calling within the customer's home exchange. Local measured usage charges apply to all other calls terminating within the local calling area.

Community Caller Plus Plan -- \$14.25 flat-rate (unlimited) calling within the customer's home exchange and specified nearby exchanges. Local measured usage charges apply to all other calls terminating within the local calling area.

Frequent Caller Plan -- \$27.45 flat-rated (unlimited calling) for all calls terminating within the local calling area.